

NEWS RELEASE



OFFICE OF THE UNITED STATES ATTORNEY SOUTHERN DISTRICT OF CALIFORNIA San Diego, California

***United States Attorney
Karen P. Hewitt***

For Further Information, Contact:

Assistant U.S. Attorneys Laura E. Duffy (619) 557-6340 or Peter Ko (619) 557-6618

For Immediate Release

TWO TIJUANA CARTEL FIGURES PLEAD GUILTY

NEWS RELEASE SUMMARY - April 27, 2007

United States Attorney Karen P. Hewitt announced that Ismael Higuera-Guerrero and his brother, Gilberto Higuera-Guerrero have pled guilty in federal court in San Diego to federal racketeering charges arising from their participation in the Arellano-Felix Drug Trafficking Organization (AFO). According to court documents unsealed today, Ismael Higuera-Guerrero entered his plea in a sealed court proceeding on March 16, 2007, before United States District Judge Larry A. Burns. Gilberto Higuera-Guerrero's plea was entered in an open court hearing earlier today before Judge Burns.

In connection with his plea, Ismael Higuera-Guerrero admitted that from about 1988 to his arrest in May 2000, he was the AFO's top lieutenant, acting at the direction of the AFO's principal leaders, the Arellano-Felix Brothers. As admitted in his plea, Ismael Higuera-Guerrero supervised other upper-echelon AFO lieutenants, including his brother, Gilberto, and oversaw the AFO's day-to-day operations. Ismael

Higuera-Guerrero admitted that those operations included receiving multi-ton shipments of cocaine and marijuana in Mexico, transporting those drugs to the Tijuana/Mexicali area, and shipping those drugs across the border into the United States. Ismael Higuera-Guerrero also admitted supervising the collection of millions of dollars in drug proceeds in the U.S., the transportation of those proceeds back to Mexico, and the transmittal of payments to Colombian sources of supply. Higuera-Guerrero further admitted arranging for the regular payment of bribes to corrupt government and law enforcement officials, and that he oversaw the AFO's "policing" of the Tijuana and Mexicali "plazas," which included the kidnaping, torture, and murder of AFO "enemies." These enemies included rival traffickers, uncooperative government and law enforcement officials and AFO members suspected of betraying the cartel in one form or another, including cooperation with law enforcement.

Today, Gilberto Higuera-Guerrero pled guilty to a two-count Superseding Information charging him with a Racketeering offense and with the Commission of a Violent Act in Aid of Racketeering -- both charges relating to his role in the AFO. In connection with his plea, Gilberto Higuera-Guerrero admitted that he was an AFO lieutenant and that he worked closely with Manuel Aguirre-Galindo, on behalf of the Arellano-Felix brothers, coordinating the receipt of multi-ton cocaine shipments in Mexico, and the importation of that cocaine into the United States. Gilberto, like Ismael, also admitted to involvement in the collection of AFO drug trafficking proceeds, and the "policing" of the Tijuana/Mexicali "plazas," including the kidnaping and murder of AFO "enemies."

In December 2003, a seventh Superseding Indictment was filed in the Southern District of California charging 11 individuals, including both Ismael and Gilberto Higuera-Guerrero, with racketeering, drug trafficking, and money laundering offenses. The 11 defendants allegedly constituted the AFO's top hierarchy. On January 19, 2007, the Higuera-Guerrero brothers were among two of 15 major drug defendants and other criminals extradited to the United States from Mexico, in what Attorney General Alberto Gonzales described as an "unprecedented" and "bold" stance by "President Felipe Calderon and his government in targeting the drug-related violence and corruption that affects both our nations." The Higuera-Guerrero brothers were

extradited to face the charges in the seventh Superseding Indictment. That indictment was specifically structured to comply with decisions by Mexican courts that prohibited the extradition of Mexican nationals facing life in prison or the death penalty.

United States Attorney Hewitt stated, “We thank the Mexican government for supporting the prosecution of members of an organized criminal organization that has perpetrated countless crimes of violence and widespread drug trafficking in the United States. The two criminal pleas announced today could not have occurred without the assistance of Mexico, culminating in the extradition of the Higuera-Guerrero brothers to the United States.” United States Attorney Hewitt also commended the outstanding efforts of the DEA, IRS and FBI for the investigation which resulted in these criminal pleas.

“The Higuera-Guerrero brothers were leaders in what was once the towering Arellano Felix drug cartel that laid claim to and terrorized the Tijuana corridor leading into the United States,” said DEA Administrator Karen P. Tandy. “These pleas, along with the arrests of six other top lieutenants of this Tijuana cartel, are breaking the back of this once-terrifying network.”

“Today’s guilty pleas speak volumes about the futility of committing drug crimes against the United States. Wholesale drug trafficking and the lifestyle it supports may seem compelling, but there is no job security and no pension plan – at the end of the day the DEA will likely help shape your golden years,” said Alan Poleszak, DEA Acting Special Agent in Charge, San Diego Field Division.

“The financial investigation in cases involving major drug traffickers is the critical component to dismantling the economic backbone of these harmful organizations. These high-profile drug organizations, as we have recently seen south of the border, utilize vicious, violent, and sometimes unimaginable means to protect and promote their evil empire. As dedicated financial investigators, we will expose and sever every possible financial link that is associated with these drug traffickers so they will not be able to reinvest their illicit proceeds. We stand together with our law enforcement partners here in the U.S. and in Mexico, to put an end to these organizations that continue to harm our communities,” said Kenneth J. Hines, Special Agent in Charge, IRS Criminal Investigation, San Diego Field Office.

FBI Special Agent in Charge Daniel R. Dzwilewski commented, "Today's plea agreements are the result of law enforcement on both sides of the border working together to effectively dismantle the AFO. Only through partnership can we curtail the extreme violence and criminal activity the AFO has advocated for so long. Though the list is long, the FBI and our partners in law enforcement remain vigilant and will continue to pursue and investigate those with affiliations to the AFO."

According to court documents, Ismael Higuera-Guerrero's plea required him to stipulate to the maximum 20-year statutory sentence for each of the two racketeering charges to which he pled guilty. Furthermore, he agreed that each 20-year term would be imposed to run consecutively, not concurrently, resulting in a stipulated 40-year sentence. Ismael Higuera-Guerrero's plea also required him to stipulate to a \$5,000,000 forfeiture. Gilberto Higuera-Guerrero's plea required him to stipulate to the maximum 20-year statutory sentence on the racketeering charge and the maximum 10-year sentence on the commission of a violent act in aid of racketeering enterprise charges. Gilberto Higuera-Guerrero also stipulated that each of the sentences would run consecutively, not concurrently, resulting in a stipulated 30-year sentence. Finally, Gilberto Higuera-Guerrero's plea required him to stipulate to the forfeiture of \$1,000,000.

Sentencing for Ismael Higuera-Guerrero is scheduled for June 11, 2007, at 9:30 a.m. Sentencing for Gilberto Higuera-Guerrero is scheduled for August 13, 2007, at 9:30 a.m. Both sentencing hearings are before United States District Judge Larry A. Burns.

DEFENDANTS

Case Number: 06cr2646-LAB

Ismael Higuera-Guerrero

Gilberto Higuera-Guerrero

SUMMARY OF CHARGES TO WHICH ISMAEL HIGUERA-GUERRERO PLED GUILTY

Count 1 of the 7th Superseding Indictment - Title 18, United States Code, Section 1962(c) –
Conducting the Affairs of an Enterprise Through a Pattern of Racketeering Activity

Count 2 - the 7th Superseding Indictment - Title 18, United States Code, Section (1962)(d) –
Conspiracy to Conduct the Affairs of an Enterprise Through a Pattern of Racketeering Activity

Maximum penalties for each offense:	20 years in prison
	\$250,000 fine
	5 years of supervised release

SUMMARY OF CHARGES TO WHICH GILBERTO HIGUERA-GUERRERO PLED GUILTY

Count 1 of a Superseding Information - Title 18, United States Code, Section 1962(c) –
Conducting the Affairs of an Enterprise Through a Pattern of Racketeering Activity

Count 2 of the Superseding Information - Title 18, United States Code, Section 1959(a)(5)
Violent Act In Aid of Racketeering Enterprise

Maximum penalties for Count 1:	20 years in prison
	\$250,000 fine
	5 years of supervised release

Maximum penalties for Count 2:	10 years in prison
	\$250,000 fine
	5 years of supervised release

INVESTIGATING AGENCIES

Drug Enforcement Administration
Internal Revenue Service, Criminal Investigation
Federal Bureau of Investigation
California Department of Justice
United States Marshal's Service